

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 BRUSSELS 003067

SIPDIS

DEPT FOR EUR/ERA, EUR/RUS AND EUR/UMB

E.O. 12958: DECL: 07/19/2009

TAGS: [PREL](#) [PGOV](#) [MD](#) [RS](#) [EUN](#) [USEU](#) [BRUSSELS](#)

SUBJECT: BRIEF READOUT OF EU-RUSSIA POLITICAL DIRECTORS MEETING

Classified By: USEU POLOFF LEE LITZENBERGER; REASONS 1.4 (B,D)

11. (C) Summary. According to an EU official present for the July 16 EU-Russia Political Directors' meeting in Moscow, the EU raised Yukos and Moldova. On Yukos, Deputy FM Chizhov agreed that foreign investment will suffer, but said it was a criminal case and will proceed. On Moldova, Chizhov said Moscow was focused on the five-sided negotiations (which he said were at a "fragile" state) said it was a "pity" the Kozak plan did not work, and criticized the OSCE and HOM Hill for not coordinating recently proposed confidence building measures with Moscow. The EU pitched the need for pentagonal talks; Chizhov was not opposed in principle, but said now was not the time and said Moscow might prefer meeting bilaterally with the EU and US instead. The EU, convinced Chizhov is just stalling, is considering calling for a pentagonal meeting, which it would offer to host. Our contact said that Moscow is slowly getting more comfortable with putting neighboring state issues on the agenda, but is not interested in a real dialogue. End Summary.

12. (C) On July 19, EU Council Secretariat Russia Officer Carl Hallergard offered a readout of the EU's July 16 Political Directors meeting with Russia in Moscow, which he attended. The EU delegation, led by Dutch MFA Political Director Hugo Siblesz, met with a Russian delegation headed by Deputy Foreign Minister Chizhov, the EU's usual interlocutor. Hallergard said the talks resulted in no major progress on any issue; they were an opportunity to exchange views. Hallergard said the MFA was consumed with the ongoing reorganization of the ministry: Chizhov announced he would be staying on; but there was still no word on who Russia's new Ambassador to the EU might be.

Yukos: It's a Criminal Case

13. (C) As Siblesz told A/S Jones he would do at last week's EU-US Political Directors meeting (reftel) he raised Yukos, noting that the case would damage Russia's ability to attract direct foreign investment. Hallergard said that Chizhov's one-line response was, "We agree it will hurt investment. But it's a criminal case and we will pursue it."

Moldova: EU pitches pentagonal talks

14. (C) Hallergard said Siblesz also made a pitch for reviving the proposed pentagonal talks with the EU, US, OSCE, Russia and Ukraine. The Russians said they were not against consultations, or even a meeting in this format, but "this was not the time" and said Moscow might prefer instead to meet bilaterally with the EU or US. "Nobody is more interested in seeing a solution to the Transnistrian conflict than Russia," Chizhov said. He then cautioned however that the current five sided negotiations are at a "fragile" state, and it was important that no one take any "destabilizing steps." Chizhov was very critical of OSCE HOM Hill, whom he blamed for not coordinating with Russia and Ukraine on the large packet of confidence building measures he recently shared with Moldovan and Transnistrian officials. Hallergard said that Chizhov claimed that the Transnistrians used the package as an excuse not to attend the last meeting, saying they needed time to study Hill's proposals. This kind of action, Chizhov said, "distracts" the parties. (Comment. Hallergard said the EU is now thinking of calling for a meeting, having concluded that Moscow is just stalling. End Comment.)

Kozak II?

15. (C) Hallergard said the Russians gave no indication that they were working on a "Kozak II" plan for resolving the Transnistrian crisis, but added quickly that this does not mean they may not be working on one. Chizhov told the EU that it was "a pity the Kozak plan did not work." Chizhov said the Russians had met with Moldovan FM Stratan on July 15, and had focussed talks on the need to restore negotiations. Chizhov said they had also discussed the idea of a formal Moldovan-Romanian "basic treaty" to guarantee Moldova's borders, and commented that the EU could help on this. Hallergard says this was not a new proposal, but something the Russians have raised several times in the past. The EU also expressed concern about the recent Transnistrian

decision to close a Moldovan school in Transnistria; the Russian side did not respond.

EU-Russia dialogue still thin on substance

16. (C) Hallergard said the Russians appeared slightly more comfortable talking to the EU about its near abroad. In addition to the discussion on Moldova, the EU briefed Moscow on its recent summit with Ukraine; Belarus did not come up. On Moldova, the EU is eager to talk to Russia about border issues and trafficking concerns, Voronin's proposed Stability Pact, and on EU negotiation of an Action Plan with Moldova under its European Neighborhood Policy initiative. But, Hallergard concluded, while Russia seems to be tolerating putting these items on the agenda, there is no interest on Moscow's part for real engagement or dialogue.

McKinley